

Message Text

CONFIDENTIAL

PAGE 01 USUN N 04097 01 OF 09 090206Z

63

ACTION IO-10

INFO OCT-01 ISO-00 EB-07 SSO-00 /018 W

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TO SECSTATE WASHDC IMMEDIATE 1834

C O N F I D E N T I A L SECTION 1 OF 9 USUN 4097

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM
FROM AMB. MOYNIHAN

E.O. 11652: GDS

TAGS: EGN UNGA

SUBJECT: 7TH SPECIAL SESSSION : INFORMAL WORKING PAPER
SUBMITTED BY THE U.S.

INFORMAL WORKING PAPER WAS SUBMITTED SEPTEMBER 8 AT
EVENING SESSION OF WEO/G-77 CONTACT GROUP. TEXT AS
FOLLOWS: QUOTE

THE GENERAL ASSEMBLY,
DETERMINED TO ELIMINATE INJUSTICE AND INEQUALITY WHICH
AFFLICT VAST SECTIONS OF HUMANITY AND TO ACCELERATE THE
DEVELOPMENT OF DEVELOPING COUNTRIES,

RECALLING THE DECLARATION AND PROGRAMME OF ACTION FOR THE
ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER,
AS WELL AS THE CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES.

REAFFIRMING THE LARGE OBJECTIVES OF THE ABOVE-MENTIONED
DOCUMENTS AND THE RIGHTS AND DUTIES OF ALL STATES TO SEEK AND
PARTICIPATE IN THE SOLUTIONS OF THE PROBLEMS AFFLICTING THE WORLD,
IN PARTICULAR THE IMPERATIVE NEED OF ADDRESSING THE
ECONOMIC IMBALANCE BETWEEN DEVELOPED AND DEVELOPING COUNTRIES,

RECALLING FURTHER THE INTERNATIONAL DEVELOPMENT STRATEGY
FOR THE SECOND UNITED NATIONS DEVELOPMENT DECADE AND THE
PROGRAMME OF ACTION FOR THE ESTABLISHMENT OF A NEW INTERNATIONAL
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PAGE 02 USUN N 04097 01 OF 09 090206Z

ECONOMIC ORDER, AND THE TARGETS AND POLICY MEASURES CONTAINED

THEREIN,

CONSCIOUS THAT THE ACCELERATED DEVELOPMENT OF DEVELOPING COUNTRIES WOULD BEST PROMOTE WORLD HARMONY AND WELL BEING,

DECIDES, TO THIS END, TO SET IN MOTION THE FOLLOWING MEASURES AS THE BASIS AND FRAMEWORK FOR THE WORK OF THE COMPETENT BODIES AND ORGANIZATIONS OF THE UNITED NATIONS SYSTEM AND OTHER APPROPRIATE FORUMS,

I. INTERNATIONAL TRADE

ARRANGEMENTS SHOULD BE MADE THAT WILL EXPAND THE TRADE OF DEVELOPING COUNTRIES, STABILIZE AND INCREASE THEIR EXPORT EARNINGS, AND INSULATE THEM FROM THE ADVERSE EFFECTS OF INFLATION OR DEFLATION IN DEVELOPED COUNTRIES IN ORDER TO ELIMINATE ECONOMIC IMBALANCE BETWEEN DEVELOPED AND DEVELOPING COUNTRIES.

CONCERTED ACTION SHOULD BE TAKEN TO ACCELERATE THE GROWTH AND DIVERSIFICATION OF THE EXPORT TRADE OF DEVELOPING COUNTRIES IN MANUFACTURES AND SEMI-MANUFACTURES AND IN PROCESSED AND SEMI-PROCESSED PRODUCTS IN ORDER TO INCREASE THEIR SHARE IN WORLD INDUSTRIAL OUTPUT AND WORLD TRADE.

(A) A COORDINATED APPROACH TO EXPANDING THE TRADE, STABILIZING AND INCREASING THE EARNINGS, AND INSULATING THE ECONOMIES OF DEVELOPING COUNTRIES FROM THE ADVERSE EFFECTS OF ECONOMIC DISORDERS IN DEVELOPED COUNTRIES, INCLUDING THE FOLLOWING CONCRETE MEASURES:

1. ESTABLISH A CONSUMER-PRODUCER FORUM FOR EVERY COMMODITY WHICH HAS A SIGNIFICANT ROLE IN INTERNATIONAL TRADE AND DEVELOPMENT IN ORDER TO OBTAIN REMUNERATIVE LEVELS FOR PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES, HAVING ESPECIAL REFERENCE TO THE EFFICIENCY, GROWTH, AND STABILITY OF WORLD MARKETS FOR ITEMS OF SIGNIFICANCE TO THE DEVELOPMENT OBJECTIVES OF DEVELOPING COUNTRIES.

2. CREATE A SPECIAL DEVELOPMENT SECURITY FACILITY
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PAGE 03 USUN N 04097 01 OF 09 090206Z

TO STABILIZE OVER-ALL EXPORT EARNINGS OF DEVELOPING COUNTRIES BOTH FROM COMMODITIES AND MANUFACTURED GOODS, HAVING ESPECIAL REFERENCE TO THE NEED TO ESTABLISH BASES FOR ACCELERATED DEVELOPMENT OF DEVELOPING COUNTRIES AND THE PARTICULAR NEEDS OF THE LEAST DEVELOPED WHICH IN APPROPRIATE CIRCUMSTANCES SHOULD BE ENABLED TO CONVERT STABILIZATION LOANS INTO OUTRIGHT GRANTS IN ORDER THAT THEY BE PROTECTED FROM INTERNATIONAL IMBALANCES

WHICH THREATEN A PERMANENT DIVISION BETWEEN THESE MOST
SERIOUSLY AFFECTED NATIONS AND THE OTHER DEVELOPING OR
DEVELOPED ECONOMIES OF THE WORLD;

3. BUILD UP SYSTEMS OF CONTRACTUAL RELATIONS, SYS-
TEMATICALLY BUTTRESSED AND ENHANCED BY GREATLY IMPROVED
ECONOMIC REPORTING AND FORECASTING ACCESSIBLE TO ALL
COUNTRIES, WHICH WILL PROMOTE STABLE SUPPLY AND DEMAND
AT FAIR AND REMUNERATIVE PRICES;

4. SUBSTANTIALLY IMPROVE FACILITIES FOR COMPENSATORY
FINANCING OF EXPORTS REVENUE FLUCTUATIONS THROUGH WIDENING
AND ENLARGING OF THE EXISTING FACILITIES;

5. PROMOTE PROCESSING OF RAW MATERIALS IN PRODUCING
DEVELOPING COUNTRIES AND THE EXPANSION AND DIVERSIFICATION
OF THEIR EXPORT, PARTICULARLY TO DEVELOPED COUNTRIES;

6. PROVIDE OPPORTUNITIES TO IMPROVE THE SHARE OF
DEVELOPING COUNTRIES IN TRANSPORT, MARKETING AND DISTRIBUTION
OF THEIR PRIMARY COMMODITIES, AND ENCOURAGE MEASURES
OF WORLD SIGNIFICANCE FOR THE EVOLUTION OF DEVELOPING
COUNTRIES INFRASTRUCTURE AND SECONDARY CAPACITY FROM
PRODUCTION OF PRIMARY COMMODITIES TO INTERMEDIARY PROCESSING,
TRANSPORT, AND MARKETING, AND ULTIMATELY BUT RAPIDLY
TO THE PRODUCTION OF FINISHED MANUFACTURED GOODS,
THEIR TRANSPORT, DISTRIBUTION, AND EXCHANGE,
THE PRODUCTION OF FINISHED MANUFACTURED GOODS, THEIR TRANSPORT,
DISTRIBUTION, AND EXCHANGE,

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PAGE 01 USUN N 04097 02 OF 09 090217Z

63

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C O N F I D E N T I A L SECTION 2 OF 9 USUN 4097

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM FROM

AMB. MOYNIHAN

INCLUDING ADVANCED FINANCIAL AND EXCHANGE INSTITUTIONS FOR THE REMUNERATIVE MANAGEMENT OF TRADE TRANSACTION; (B) ACHIEVEMENT OF GREATER STABILITY OF COMMODITY AND RAW MATERIAL MARKETS THROUGH THE ESTABLISHMENT OF BUFFER STOCKS AND SIMILARY APPROPRIATE AND PRACITICAL APPROACHES THAT PROTECT THE INTEREST AND ADVANCE THE WELL-BEING OF PRODUCERS AND CONSUMERS.

1. ARRANGEMENTS SHOULD BE AGREED UPON TO IMPROVE THE ECONOMIC CONDITION OF COMMODITY PROCUDING COUNTRIES, ESPECIALLY DEVELOPING COUNTRIES, TO INSULATE THEM FROM THE ADVERSE EFFECTS OF INFLATION, AND ULTIMATELY TO CONTRIBUTE TO NARROW THE GAP BETWEEN DEVELOPED AND DEVELOPING COUNTRIES. TO THIS END, A NUMBER OF OPTIONS ARE OPEN TO THE INTERNATIONAL COMMUNITY WHICH NEED TO BE FURTHER STUDIES AND EXPLORED ON A PRIORITY BASIS, BRINGING TO BEAR THE INSIGHTS AND EXPERISE OF ECONOMIC ANALYSTS. FROM ALL COUNTRIES, AND ESPECIALLY TO INCLUDE ECONOMIC ANALYSTS FROM DEVELOPING COUNTRIES OF VARIOUS MARKET AND NON-MARKET ECONOMIC SYSTEMS, INCLUDING COUNTEIS DETERMINED TO CREATE AND SUSTAIN ECONOMIC PROGRESS THROUGH COMPREHENSIVE NATIONAL ECONOMIC PLANNING AND THOSE COMMITTED TO COMMERICAL SYSTEMS FOR ECONOMIC GROWTH, ALL TO BE PURSED ON A PRIORITY BASIS AND WITH THE FULLEST REGARD FOR AND SCRUPULOUS RESPECT OF THE INTELLECTUAL DISCIPLINE AND PORFESSIONAL INTERGRITY OF SAID ECONOMIC ANALYSTS. THE SECRETARY-GENERAL OF UNCTAD SHOULD CONTINUE TO STUDY DIRECT AND INDIRECT APPROACHES ON A PRIORITY

CONFIDENTIAL

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PAGE 02 USUN N 04097 02 OF 09 090217Z

BASIS WITH A VIEW TO MAKING CONCRETE PROPOSALS BEFORE UNCTAD IV.

2. THE SECRETARY-GENERAL OF UNCTAD SHOULD PREPARE A PRELIMINARY STUDY ON THE PROPORTION BETWEEN PRICES OF RAW MATERIALS AND COMMODITIES EXPORTED BY DEVELOPING COUNTRIES AND FINAL CONSUMER PRICE IN DEVELOPED COUNTRIES AND SUBMIT, IF POSSIBLE, TO UNCTAD IV.

(C) ACCESS TO MARKETS OF DEVELOPED COUNTRIES FOR RAW MATERIALS, COMMODITIES, MANUFACTURES AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES.

1. DEVELOPED COUNTRIES SHOULD ESCHEW MEASURES WHICH IMPEDE THE CONTINUED AND EXPANDING EXPORT MARKETS OF DEVELOPING COUNTRIES. RULES OF NON-TARIFF BARRIERS SHOULD BE ADAPTED TO THE PARTICULAR SITUATION OF DEVELOPING COUNTRIES. NEGOTIATIONS SHOULD BE UNDERTAKEN TO THE END THAT UNDER PRESCRIBED COUNDITIONS, CERTAIN EXPORT SUBSIDIES MAY BE PERMITTED WITHOUT TRIGGERING COUNTERVAILING DUTIES

FOR A PERIOD GEARED TO ACHIEVING PARTICULAR DEVELOPMENT OBJECTIVES.

2. DEVELOPED COUNTRIES SHOULD TAKE EFFECTIVE STEPS FOR THE REMOVAL, ON A PREFERENTIAL AND NON-RECIPROCAL BASIS, OF TARIFF AND NON-TARIFF BARRIERS AFFECTING PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES. DEVELOPING COUNTRIES WHICH ARE OR WILL BE SHARING EXISTING TARIFF ADVANTAGES IN SOME DEVELOPED COUNTRIES AS THE RESULT OF THE INTRODUCTION AND EVENTUAL ENLARGEMENT OF GENERALIZED SYSTEM OF PREFERENCES SHOULD, AS A MATTER OF URGENCY, BE GRANTED NEW OPENINGS IN THE MARKETS OF OTHER DEVELOPED COUNTRIES WHICH SHOULD OFFER THEM EXPORT OPPORTUNITIES THAT AT LEAST COMPENSATE FOR THE LOSING OF THOSE ADVANTAGES. THE GENERALIZED SCHEME OF PREFERENCES SHOULD BE RECOGNIZED AS A REGULAR FEATURE OF THE INTERNATIONAL TRADING SYSTEM AND SHOULD BE APPLIED TO ALL DEVELOPING COUNTRIES WHICH THEMSELVES ADHERE TO NON-DISCRIMINATORY EXPORT POLICIES. IN LIGHT OF THE PRONOUNCED DISPARITY BETWEEN THE IMPORTS OF THE PRODUCTS OF DEVELOPING COUNTRIES BY DEVELOPED COUNTRIES WHICH HAVE

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CONFIDENTIAL

PAGE 01 USUN N 04097 03 OF 09 091930Z

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C O N F I D E N T I A L SECTION 3 OF 9 USUN 4097

C O R R E C T E D C O P Y (MRN 4097 VICE 4077)

EEYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM
FROM AMB. MOYNIHAN

3. IN APPROPRIATE CIRCUMSTANCES DEVELOPING COUNTRIES MAY USE EXPORT INCENTIVES TO IMPROVE THE COMPETITIVENESS OF THEIR EXPORTS OF MANUFACTURED AND SEMI-MANUFACTURED GOODS. DEVELOPED COUNTRIES SHOULD EXERCISE MAXIMUM FLEXIBILITY, CONSISTENT WITH NATIONAL LEGISLATION AND INTERNATIONAL OBLIGATIONS, IN THE IMPOSITION OF COUNTERVAILING DUTIES ON THE IMPORT OF PRODUCTS OF DEVELOPING COUNTRIES. DEVELOPED COUNTRIES SHOULD MAKE GOOD FAITH EFFORTS TO IMPLEMENT THE PRINCIPLE OF STAND-

STILL AS REGARDS IMPORTS FROM DEVELOPING COUNTRIES, AND SHOULD CONSULT WITH CONCERNED DEVELOPED AND DEVELOPING COUNTRIES IN SITUATIONS OF PARTICULAR COMPLEXITY. INTERNATIONAL TRADE NEGOTIATIONS UNDERTAKEN TO ESTABLISH STANDARDS WITH RESPECT TO EXPORT SUBSIDIES AND COUNTERVAILING DUTIES, SHALL TAKE FULLY INTO ACCOUNT THE PARTICULAR SITUATIONS AND OVERALL NEEDS OF DEVELOPING COUNTRIES.

4. RESTRICTIVE BUSINESS PRACTICES IN SETTING PRICES OR RESTRAINING SUPPLIES, WHETHER BY PRIVATE OR STATE-OWNED TRANSNATIONAL ENTERPRISES, OR BY THE COLLUSION OF NATIONAL GOVERNMENTS, HAVE NO PLACE IN THE WORLD ECONOMIC ORDER AND ARE SPECIFICALLY AND FOREEFULLY CONDEMNED. EFFORTS SHOULD BE INTENSIFIED AT THE NATIONAL AND INTERNATIONAL LEVELS IN ORDER TO EVOLVE EQUITABLE PRINCIPLES FOR CONSULTATIONS WITH THE OBJECTIVE OF ARTICULATING STANDARDS OF CONDUCT FOR BOTH TRANSNATIONAL ENTERPRISES AND FOR GOVERNMENTS. TRANSNATIONAL ENTERPRISES
CONFIDENTIAL
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PAGE 02 USUN N 04097 03 OF 09 091930Z

ARE OBLIGED TO OBEY LOCAL LAWS AND REFRAIN FROM UNLAWFUL INTERVENTION IN THE DOMESTIC AFFAIRS OF HOST COUNTRIES. THEIR ACTIVITIES SHOULD TAKE ACCOUNT OF PUBLIC POLICY AND NATIONAL DEVELOPMENT PRIORITIES. THEY SHOULD RESPECT LOCAL CUSTOMS. THEY SHOULD EMPLOY QUALIFIED LOCAL PERSONNEL, OR QUALIFY LOCAL PERSONS THROUGH TRAINING. HOST GOVERNMENTS IN TURN MUST TREAT TRANSNATIONAL ENTERPRISES EQUITABLY, WITHOUT DISCRIMINATION AMONG THEM, AND IN ACCORDANCE WITH INTERNATIONAL LAW. HOST GOVERNMENTS SHOULD MAKE EXPLICIT THEIR DEVELOPMENT PRIORITIES AND THE STANDARDS WHICH TRANSNATIONAL ENTERPRISES ARE EXPECTED TO MEET, AND MAINTAIN THESE STANDARDS WITH REASONABLE CONSISTENCY. TRANSNATIONAL ENTERPRISES MUST IN TURN MAKE GOOD FAITH EFFORTS TO ACCOMMODATE PARTICULAR ACTIVITIES TO GENERAL PRIORITIES AND STANDARDS. BOTH GOVERNMENTS AND ENTERPRISES MUST RESPECT THE CONTRACTUAL OBLIGATIONS THAT THEY FREELY UNDERTAKE. CONTRACTS SHOULD BE NEGOTIATED OPENLY, FAIRLY, AND WITH FULL KNOWLEDGE OF THEIR IMPLICATIONS, WITH THE OBJECT THAT THE CONTINUED AND INCREASED TRANSFER OF RESOURCES AND TECHNOLOGY FROM DEVELOPED TO DEVELOPING COUNTRIES SHALL NOT BE IMPEDED, BUT, RATHER, WILL BE FACILITATED, PROTECTED, AND ENHANCED FOR THE BENEFIT OF SAID DEVELOPING COUNTRIES.

5. IN THE MULTILATERAL TRADE NEGOTIATIONS PRIORITY SHOULD BE GIVEN, UNDER PROCEDURES INVOLVING THE FULL PARTICIPATION OF DEVELOPING COUNTRIES, TO THE REDUCTION OR ELIMINATION OF BARRIERS OF ALL KINDS TO THE EXPORTS OF DEVELOPING COUNTRIES, TO THE MAINTENANCE AND IMPROVEMENT OF THE GSP AS A RECIPROCATIVE AND "DEVELOPMENT-LEVEL-RESPONSIVE" DEVICE SO AS TO ENSURE NET ADDITIONAL BENEFITS FOR THE INTERNATIONAL TRADE OF DEVELOPING COUNTRIES. SUPPLY ACCESS COMMITMENTS SHOULD BE NEGOTIATED AS PART OF RECI-

PROCAL EXCHANGE OF CONCESSIONS BY ALL MAJOR TRADING PARTNERS IN THE MULTILATERAL TRADE NEGOTIATIONS.

6 EMERGENCY MEASURES SHOULD CONTINUE TO BE UNDERTAKEN ON A TEMPORARY BASIS TO MEET THE SPECIFIC PROBLEMS OF THOSE COUNTRIES MOST SERIOUSLY AFFECTED, BY PRICE RISES IN BASIC COMMODITIES, AS DEFINED IN GENERAL ASSEMBLY RESOLUTIONS 3201(S-VI) AND 3202(S-VI), WITHOUT ANY DETRIMENT TO THE INTERESTS OF THE DEVELOPING COUNTRIES
CONFIDENTIAL
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PAGE 03 USUN N 04097 03 OF 09 091930Z

AS A WHOLE.

II. TRANSFER OF REAL RESOURCES FOR FINANCING THE DEVELOPMENT OF DEVELOPING COUNTRIES AND INTERNATIONAL MONETARY REFORMS

(A) TRANSFER OF REAL RESOURCES FOR FINANCING THE DEVELOPMENT OF DEVELOPING COUNTRIES.

1. CONCESSIONAL FINANCIAL RESOURCES TO DEVELOPING COUNTRIES NEED TO BE INCREASED SUBSTANTIALLY, THEIR TERMS AND CONDITIONS AMELIORATED, AND AS MUCH AS POSSIBLE MADE UNIFORM AND PREDICTABLE SO THAT DEVELOPMENT OBJECTIVES MAY BE ATTAINED. FINANCIAL ASSISTANCE SHOULD, AS MUCH AS POSSIBLE, BE UNITED.

2. DEVELOPED COUNTRIES SHOULD UNDERTAKEN EFFECTIVE MEASURES IN ORDER TO IMPLEMENT AT AN ACCELERATED PACE THE COMMITMENT TO TRANSFER RESOURCES TO THE DEVELOPING COUNTRIES. DEVELOPED COUNTRIES CONFIRM THE UNDERTAKINGS WHICH THEY HAVE ALREADY GIVEN IN RESPECT OF THE TARGETS RELATING TO THE TRANSFER OF RESOURCES, IN PARTICULAR THE ODA TARGET OF 0.7 PERCENT OF GNP, MENTIONED IN THE INTERNATIONAL STRATEGY FOR THE SECOND DEVELOPMENT DECADE, AND ADOPT AS THEIR COMMON AIM AN EFFECTIVE INCREASE IN OFFICIAL DEVELOPMENT ASSISTANCE. RESOURCES OF MULTILATERAL INSTITUTIONS SHOULD BE REPLENISHED AND EXPANDED IN A UNIFORM AND PREDICATABLE MANNER. IN PARTICULAR, RESOURCES OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION SHOULD BE REPLENISHED AS A MATTER OF PRIORITY SO AS TO MAKE SUBSTANTIAL ADDITIONAL RESOURCE TRANSFER POSSIBLE UNDER THE MOST FAVORABLE CONDITIONS FOR THE LEAST DEVELOPED OF THE DEVELOPING COUNTRIES.

3. AUTOMATIC MECHANISMS FOR THE TRANSFER OF REAL RESOURCES SHOULD BE CONCEPTUALIZED AND CONSIDERED IN ORDER TO FURTHER DEVELOPMENT OBJECTIVES BY CONSISTENT AND PREDICTABLE SUPPORT FOR DEVELOPMENT OBJECTTTIVES.

CONFIDENTIAL

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CONFIDENTIAL

PAGE 01 USUN N 04097 04 OF 09 091928Z

41

ACTION IO-10

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C O N F I D E N T I A L SECTION 4 OF 9 USUN 4097

C O R R E C T E D C O P Y (MRN 4097 VICE 4077)

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM
FROM AMB. MOYNIHAN

THE WORLD BANK AND THE INTERNATIONAL MONETARY FUND ARE INVITED TO PURSUE THEIR EXAMINATION OF WAYS IN WHICH THIS CAN BE ACHIEVED INCLUDING THE PROPOSED LINK BETWEEN THE ISSUE OF SDR'S AND DEVELOPMENT ASSISTANCE. AGREEMENT SHOULD ALSO BE REACHED FOR THE ESTABLISHMENT BY EARLY 1976 OF AN INTERNATIONAL MONETARY FUND TRUST FUND OF UP TO \$2 BILLION FOR BALANCE OF PAYMENTS ASSISTANCE AND EXPORT EARNINGS STABILIZATION, PRIMARILY FOR THE POORER DEVELOPING COUNTRIES. THIS TRUST FUND WILL SERVE FURTHER TO SUSTAIN UNIFORM AND PREDICTABLE TRANSFER FLOWS. CONSIDERATION OF OTHER MEASURES OF AUTOMATIC TRANSFER, SUCH AS ROYALTIES FROM OCEAN-BED MINING, SHOULD BE EXPEDITED WHERE APPROPRIATE. THE IMPORTANCE TO DEVELOPING COUNTRIES, AND NOTABLY TO THE LEAST DEVELOPED, OF OBTAINING PREDICTABLE ROYALTY FLOWS FROM SEABED MINING OUGHT TO DISPOSE THE LAW OF THE SEA CONFERENCE TO GIVE PRIORITY AND PREFERRED CONSIDERATION TO A REGIME FOR SEABED MINING WHICH WOULD IN FACT ENSURE THE EARLIEST POSSIBLE AND LARGEST POSSIBLE FLOW OF ROYALTY RESOURCES THROUGH THE AUTHORIZATION OF PRACTICABLE AND DIRECTLY FEASIBLE MINING OPERATIONS.

4. DEVELOPED COUNTRIES AND INTERNATIONAL ORGANIZATIONS SHOULD ENHANCE THE REAL VALUE AND VOLUME OF ASSISTANCE TO DEVELOPING COUNTRIES AND ENSURE THAT DEVELOPING COUNTRIES OBTAIN THE LARGEST POSSIBLE SHARE IN THE BENEFITS OF PROCUREMENT OF EQUIPMENT, CONSULTANTS AND CONSULTANCY SERVICES.
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PAGE 02 USUN N 04097 04 OF 09 091928Z

SUCH ASSISTANCE SHOULD BE ON SOFTER TERMS.

THE CAPITAL OF THE INTERNATIONAL FINANCE CORPORATION SHOULD BE QUADRUPLD TO INCREASE THE FLOW OF PRIVATE RESOURCES TO DEVELOPING COUNTRIES, HAVING PARTICULAR REFERENCE TO THE PRIORITY NEED TO FINANCE DIRECTLY PRODUCTIVE AND REMUNERATIVE ACTIVITIES, ESPECIALLY PROCESSING AND MANUFACTURING ACTIVITIES IN THE DEVELOPING COUNTRIES.

A MAJOR NEW INTERNATIONAL EFFORT SHOULD BE MADE TO EXPAND RESOURCES AVAILABLE TO DEVELOPING COUNTRIES FOR THE PRODUCTION OF RAW MATERIALS. THE WORLD BANK AND ITS AFFILIATES SHOULD PLAY A FUNDAMENTAL ROLE IN BRINGING TOGETHER PUBLIC AND PRIVATE INVESTORS WITH HOST GOVERNMENTS IN DEVELOPING COUNTRIES IN ORDER TO BRING ABOUT SUCH RESOURCE TRANSFERS AND THE IMMEDIATELY REMUNERATIVE RETURN FLOW OF PAYMENTS TO THE DEVELOPING COUNTRIES INVOLVED.

THE AFRICAN DEVELOPMENT FUND IS RECOGNIZED AS A PROGRESSIVE AND INDISPENSIBLE INSTITUTION FOR RESOURCE MOBILIZATION AND TRANSFER TO THE DEVELOPING NATIONS OF THE CONTINENT. ALL INDUSTRIAL NATIONS ARE CALLED UPON TO SUPPORT THE AFRICAN DEVELOPMENT FUND TO THE MAXIMUM DEGREE CONSISTENT WITH REGIONAL COMMITMENTS ELSEWHERE.

THE INTER-AMERICAN BANK IS HAILED FOR A SUSTAINED RECORD OF FAR-SIGHTED AND SUCCESSFUL SUPPORT OF INFRASTRUCTURAL AND DIRECT PRODUCTIVE ACTIVITIES IN THE DEVELOPING NATIONS OF THAT REGION. THE RESOURCES OF THE INTER-AMERICAN BANK SHOULD BE INCREASED TO \$6 BILLION.

THE ASIAN DEVELOPMENT BANK HAS DEVELOPED PROVEN CAPACITY FOR RESOURCE TRANSFER TO DEVELOPING NATIONS OF THAT REGION. THIS CAPACITY SHOULD BE RECOGNIZED AND FURTHER ENHANCED BY A PROMPT AND PLentiful REPLENISHMENT OF ITS VITAL CAPITAL RESOURCES WHICH HAVE PROVIDED INDISPENSABLE LEVERAGE IN THE ACCUMULATION OF NEEDED RESOURCES FOR THAT REGION.

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PAGE 03 USUN N 04097 04 OF 09 091928Z

5. THE BURDEN OF DEBT ON DEVELOPING COUNTRIES IS

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PAGE 01 USUN N 04097 05 OF 09 090231Z

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C O N F I D E N T I A L SECTION 5 OF 9 USUN 4097

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM
FROM AMB. MOYNIHAN

IT SHOULD BE A MATTER OF PRUDENT AND PROGRESSIVE INTER-
NATIONAL ECONOMIC POLICY THAT DEBT RELIEF NOT BE USED AS
A VEHICLE FOR ALLEVIATING CURRENT, AND OFTEN TRANSIENT,
BALANCE OF PAYMENT PROBLEMS. FOR THIS ENDEMIC DIFFICULTY
MANY DEVELOPING COUNTRIES, ESPECIALLY THE POORER COUNTRIES
MOST SERIOUSLY AFFECTED BY UNPRECEDENTED RISES IN COMMODITY
PRICES, A MUCH MORE GENERAL AND AUTOMATIC SOLUTION IS
NECESSARY, SUCH AS THE PROPOSED DEVELOPMENT SECURITY
FACILITY WHICH WOULD PROVIDE RESOURCES TO DEVELOPING COUNTRIES TO
COMPENSATE FOR SHORTFALLS BROUGHT ABOUT BY
INTERNATIONAL AND FOREIGN NATIONAL EVENTS OVER WHICH THE DEBTOR
COUNTRY HAS NO CONTROL, AND FOR WHICH AN INTERNA-
TIONAL RATHER THAN A SPECIFICALLY NATIONAL OR BILATERAL
REMEDY IS IN ORDER. IT IS RECOGNIZED THAT THESE BALANCE
OF PAYMENT PROBLEMS REQUIRE A COMPREHENSIVE GLOBAL
APPROACH, SUCH AS WOULD BE PROVIDED BY THE DEVELOPMENT
SECURITY FACILITY, THIS ACTIVITY BY THE WORLD BANK AND
AFFILIATES SHOULD HAVE AS ITS IMMEDIATE AND PRIORITY GOAL
THE ANNUAL ACCUMULATION AND TRANSFER OF DLRS 2 BILLION FOR
PRODUCTIVE PRIMARY PRODUCT ACTIVITIES IN DEVELOPING
COUNTRIES.

ALL DEVELOPED NATIONS SHOULD PROMPTLY CONTRIBUTE TO
THE UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES
EXPLORATION AS A VITAL SUPPORT ACTIVITY FOR THE LARGE
SCALE TRANSFER OF PUBLIC AND PRIVATE CAPITAL AND TECHNOLOGIC-
AL RESOURCES TO PRODUCTIVE PRIMARY PRODUCT ENTERPRISES IN
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CONFIDENTIAL

PAGE 02 USUN N 04097 05 OF 09 090231Z

DEVELOPING COUNTRIES.

6. DEVELOPING COUNTRIES SHOULD BE GRANTED INCREASED ACCESS OF FAVOURABLE TERMS TO THE CAPITAL MARKETS OF DEVELOPED COUNTRIES. TO THIS END, APPROPRIATE MEASURES SHOULD BE ADOPTED. FOREMOST AMONG THESE WOULD BE THE ESTABLISHMENT OF AN INTERNATIONAL INVESTMENT TRUST TO INCREASE THE FLOW OF PRIVATE RESOURCES TO DEVELOPING COUNTRIES. THIS FINANCIAL FACILITY CAN SERVE A PIONEER FUNCTION IN MAKING VITAL RESOURCE TRANSFERS POSSIBLE FROM FREQUENTLY INACCESSIBLE RESOURCE POOLS. IN ADDITION, DEVELOPED COUNTRIES SHOULD PROVIDE TECHNICAL ASSISTANCE AND EXPERTISE TO DEVELOPING COUNTRIES WHICH ARE ABLE AND DESIROUS OF ENTERING LONG-TERM CAPITAL MARKETS. THIS TECHNICAL ASSISTANCE AND EXPERTISE SHOULD EXTEND TO THE ESTABLISHMENT, ENLARGEMENT AND CONSOLIDATION, WHERE APPROPRIATE, OF INDIGENOUS FINANCIAL AND EXCHANGE INSTITUTIONS TO THE END THAT THERE BE A FAR GREATER DISPERSAL THAN IS NOW THE CASE OF INVESTMENT, FINANCIAL, AND EXCHANGE CAPACITY, WITH ESPECIAL REFERENCE TO THE POTENTIAL GROWTH OF SUCH CAPACITY IN DEVELOPING COUNTRIES. THE PROMISING WORK OF THE INTERNATIONAL MONETARY FUND/BANK GROUP DEVELOPMENT COMMITTEE'S WORKING GROUP ON THE QUESTION OF DEVELOPING COUNTRIES' ACCESS TO CAPITAL MARKETS SHOULD GIVE EARLY CONSIDERATION TO THE DEVELOPMENT COMMITTEE'S SUGGESTED MULTILATERAL GUARANTEE FUND.

7. DEVELOPED AND DEVELOPING COUNTRIES SHOULD FURTHER CO-OPERATE THROUGH INVESTMENT OF FINANCIAL RESOURCES AND SUPPLY OF TECHNOLOGY AND EQUIPMENT TO DEVELOPING COUNTRIES BY DEVELOPED COUNTRIES AND BY DEVELOPING COUNTRIES IN A POSITION TO DO SO.

8. ALL DEVELOPED COUNTRIES, AND THOSE DEVELOPING COUNTRIES IN A POSITION TO DO SO, SHOULD PARTICIPATE IN THE UNITED NATIONS SPECIAL FUND.

9. IN THE CASE OF THE POOREST COUNTRIES SPECIAL ATTENTION SHOULD BE GIVEN TO IMPROVED TERMS AND CONDITIONS FOR THE TRANSFER OF RESOURCES WITH A LARGE GRANT ELEMENT.

CONFIDENTIAL

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PAGE 03 USUN N 04097 05 OF 09 090231Z

10. ALL DEVELOPED COUNTRIES AND DEVELOPING COUNTRIES IN A POSITION TO DO SO AND INTERNATIONAL ORGANIZATIONS LIKE THE WORLD BANK AND IMF SHOULD UNDERTAKE FURTHER SPECIFIC

MEASURES IN PROVIDING FLOWS OF RESOURCES TO THE POOREST DEVELOPING COUNTRIES ENCOUNTERING SERIOUS BALANCE OF PAYMENTS PROBLEMS IN ORDER TO ENABLE THEM TO MEET THESE PROBLEMS; THESE MEASURES MAY INCLUDE THOSE PROVIDED IN GENERAL ASSEMBLY RESOLUTIONS 3201 (S-VI) AND 3202 (S-VI).

11. SPECIAL ATTENTION SHOULD BE GIVEN BY THE INTERNATIONAL COMMUNITY TO THE PHENOMENA OF NATURAL DISASTERS WHICH FREQUENTLY AFFLICT MANY PARTS OF THE WORLD, WITH FAR-REACHING DEVASTATING ECONOMIC, SOCIAL AND STRUCTURAL CONSEQUENCES, PARTICULARLY IN THE LEAST DEVELOPED COUNTRIES. TO THIS END, THE THIRTIETH REGULAR SESSION OF THE GENERAL ASSEMBLY, IN CONSIDERING THIS PROBLEM, SHOULD EXAMINE AND ADOPT APPROPRIATE MEASURES.

(B) REFORM OF THE INTERNATIONAL MONETARY SYSTEM.

1. THE INTERNATIONAL MONETARY FUND SHOULD CONTINUE ITS PRESENT INTENSIVE ENQUIRY INTO CURRENT INTERNATIONAL MONETARY ISSUES, WITH THE OBJECT THAT A FINAL COMPREHENSIVE AGREEMENT BE REACHED IN JANUARY, 1976. THE INTERNATIONAL MONETARY FUND IS TO BE CONGRATULATED FOR THE RECENT DECISIONS REGARDING QUOTA INCREASES AND ADJUSTMENTS IN THE ALLOCATION OF NATIONAL SHARES IN THE VOTING SYSTEM. THE DIFFICULT ISSUES INVOLVED IN PHASING GOLD OUT OF THE INTERNATIONAL MONETARY SYSTEM HAVE BEEN RESOLVED IN A

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CONFIDENTIAL

PAGE 01 USUN N 04097 06 OF 09 090317Z

63

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C O N F I D E N T I A L SECTION 6 OF 9 USUN 4097

EYES ONLY FOR ASSISTANCE SECRETARIES ENDERS AND BUFFUM FROM AMB MOYNIHAN

CONSTRUCTIVE AND EQUITABLE MANNER THAT WILL CONTRIBUTE

FURTHER TO THE ACTIVE ENGAGEMENT OF THE INTERNATIONAL MONETARY SYSTEM IN MOBILIZING RESOURCES AND PROVIDED NEEDED ADJUSTMENT FOR DEVELOPMENT IN DEVELOPING COUNTRIES.

2. DEVELOPING COUNTRIES PARTICIPATION IN THE DECISION-MAKING PROCESS IN THE COMPETENT ORGANS OF THE WORLD BANK AND THE MONETARY FUND HAVE BEEN APPROPRIATELY INCREASED. THE PROCESS OF DECISION-MAKING IN INTERNATIONAL ECONOMIC ISSUES SHOULD BE FAIR. NO COUNTRY OR GROUP OF COUNTRIES SHOULD HAVE EXCLUSIVE POWER IN AREAS BASIC TO THE WELFARE OF OTHERS. THE METHODS OF PARTICIPATION MUST BE REALISTIC. THE GENUINE DIVERSITY OF INTERESTS THAT EXISTS AMONG STATES MUST NOT BE SACRIFICED TO THE EPIPHENOMENAL DEMANDS OF BLOC IMPERATIVES. THE PROCESS OF DECISION MAKING SHOULD BE RESPONSIVE TO CHANGE, AND SHOULD BE MOST ESPECIALLY RESPONSIVE TO THE EMERGANCE OF NEW ECONOMIC INFLUENCE ON THE PART OF DEVELOPING COUNTRIES IN CONSEQUENCE OF SUCCESSFUL AND SUSTAINED DEVELOPMENT. THE PARTICIPATION PORCESS SHOULD BE TAILORED TO THE ISSUES AT HAND, AND NOT BE DIVERTED BY THE FALSE REALISM OF ELUSIVE QUESTS FOR RHETORICAL ADVANTAGE IN THE FACE OF GENUINE AND BECKONING OPPORUNTIES FOR TRUE INTERNATIONAL ACCOMMODATION, INTEGRATION, AND PROGRESS.

THE SUCCESS OF INTERNAIIIONAL MONETARY INSTITUTIONS IN MAINTAINING SUSTANINED ECONOMIC GROWTH IN THE DEVELOPED CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 04097 06 OF 09 090317Z

COUNTRIES AND ACCELERATING ECONOMIC GROWTH IN THE DEVELOPING COUNTRIES WILL DEPEND ON REALISTIC INTERNAL DECISIONS MAKING ARRANGEMENTS WHICH RELATE ACUTAL VOTING STRENGTH TO ACTUAL FINANCIAL CONTRIBUTIONS.

3. THE LONKAGE BETWEEN WORLD MONETARY ARRANGEMENTS AND SUCCESSFUL DEVELOPMENT IN DEVELOPING COUNTRIES IS UNMISTAKABLE, HAS BEEN EXPLICITLY ACKNOWLEDGE, AND ITS IMPLICATIONS SHOULD BE FURTHER EXPLORED IN THE LIGHT OF RECENT MONETARY DEVELOPMENTS AND THE PROPOSED SPECIAL DEVELOPMENT SECURITY

4. THE INTERNATIONAL MONETARY FUND COMPENSATORY FINANCING FACILITY SHOULD BE IMPORVED . SPECIFIC TECHNICAL ARRANGEMENTS SHOULD BE EXAMINED WITHIN THE FUND, WITH PARTICULAR ATTENTION TO THE PORPOSED SPECIAL DEVELOPMENT FACILITY.

5. THERE SHOULD BE PROMPT LIBERATIZATION OF THE INTERNATIONAL MONETARY FUND FINANCING SUPPORT FOR BUFFER STOCKS TO ENSURE THAT THIS FACILITY IS AVAILABLE WITHOUT ENCUMBERING OTHER DRAWING RIGHTS. DRAWING UNDER THE BUFFER STOCK FINANCING FACILITY OF THE IMF SHOULD BE ACCORDED

TREATMENT WITH RESPECT TO FLOATING, ALONGSIDE THE GOLD
TRANCHE, SIMILAR TO THAT UNDER THE COMPENSATORY FINANCING
FACILITY. (TENTATIVE)

III SCIENCE AND TECHNOLOGY

1. DEVELOPED COUNTRIES SHOULD CO-OPERATE WITH DEVELOP-
ING COUNTRIES IN THE ESTABLISHMENT, STRENGTHENING AND
DEVELOPMENT OF THEIR SCIENTIFIC AND TECHNOLOGICAL INFRA-
STRUCTURE, TAKE OTHER APPROPRIATE MEASURES, INTER ALIA,
TO CONTRIBUTE TO THE ESTABLISHMENT OF INDUSTRIAL TECHNO-
LOGICAL INFORMATION BANKS TO MAKE AVAILABLE A GREATER
FLOW TO THE DEVELOPING COUNTRIES OF INFORMATION PERMITTING
THE PROPER SELECTION OF ADVANCED TECHNOLOGIES. AN
INTERNATIONAL CENTER FOR EXCHANGE OF TECHNOLOGICAL INFORMA-
TION SHOULD BE ESTABLISHED FOR THE SHARING OF RESEARCH
FINDINGS RELEVANT TO DEVELOPING COUNTRIES.

CONFIDENTIAL

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PAGE 03 USUN N 04097 06 OF 09 090317Z

2. DEVELOPED COUNTRIES SHOULD SIGNIFICANTLY EXPAND THEIR
ASSISTANCE TO DEVELOPING COUNTRIES FOR THE DIRECT SUPPORT
TO THEIR SCIU

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PAGE 01 USUN N 04097 07 OF 09 090317Z

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C O N F I D E N T I A L SECTION 7 OF 9 USUN 4097

EYES FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM FROM
AMB. MOYNIHAN

OF DEVELOPING COUNTRIES TO ENABLE THEM TO APPLY SCIENCE
AND TECHNOLOGY TO THEIR OWN DEVELOPMENT, ADOPTING
EFFECTIVE MEANS FOR UTILIZATION OF SCIENTIFIC AND TECHNO-
LOGICAL POTENTIALS IN THE SOLUTION OF PROBLEMS OF
DEVELOPMENT OF REGIONAL AND GLOBAL SIGNIFICANCE,
ESPECIALLY FOR THE BENEFIT OF DEVELOPING COUNTRIES; PRO-
VIDING INSTRUMENTS OF COOPERATION TO DEVELOPING COUNTRIES
IN THE UTILIZATION OF SCIENCE AND TECHNOLOGY FOR SOLVING
SOCIO-ECONOMIC PROBLEMS THAT CANNOT BE SOLVED BY INDIVIDUAL
ACTION, IN ACCORDANCE WITH NATIONAL PRIORITIES.

8. THE UNITED NATIONS SYSTEM SHOULD PLAY A MAJOR ROLE,
WITH APPROPRIATE FINANCING, IN ACHIEVING THE ABOVE STATED
OBJECTIVES AND IN ENSURING THE APPLICATION OF SCIENCE
AND TECHNOLOGY TO DEVELOPMENT. THE WORK OF THE RELEVANT
UNITED NATIONS BODIES, IN PARTICULAR THAT OF UNCTAD,
UNIDO, UNESCO, FAO, WIPO AND UNDP, TO FACILITATE THE
TRANSFER AND DIFFUSION OF TECHNOLOGY AND EXPERIENCE
AVAILABLE WITHIN THE UNITED NATIONS SYSTEM IS WIDELY
DISSEMINATED AND READILY AVAILABLE TO THE DEVELOPING
COUNTRIES IN NEED OF IT.

9. THE WORLD HEALTH ASSEMBLY AND OTHER PERTINENT BODIES
OF THE UNITED NATIONS SYSTEM SHOULD GIVE PRIORITY
ATTENTION AND SUPPORT TO THE EXPANSION OF THE INTERNATIONAL
EFFORT TO ENABLE THE POOREST NATIONS WITH THE FASTEST
GROWING POPULATIONS TO PROVIDE BASIC HEALTH SERVICES

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PAGE 02 USUN N 04097 07 OF 09 090317Z

TO THEIR CITIZENS, INCLUDING FAMILY PLANNING ASSISTANCE
AND NUTRITIONAL INFORMATION, THROUGH COMMUNITY HEALTH
DELIVERY SYSTEMS, USING PARA-MEDICAL PERSONNEL.

IV. INDUSTRIALIZATION

1. ALL GOVERNMENTS SHOULD TAKE INDIVIDUALLY AND/OR
COLLECTIVELY NECESSARY MEASURES AND DECISIONS REQUIRED
TO IMPLEMENT EFFECTIVELY THE COMMITMENTS THEY ENTERED

INTO PURSUANT TO THE LIMA DECLARATION AND PLAN OF ACTION
ON INDUSTRIAL DEVELOPMENT COOPERATION.

2. ALL GOVERNMENTS SHOULD ENCOURAGE THE INTRODUCTION
OF CONCRETE NEW FORMS OF INDUSTRIAL COLLABORATION. IN
THIS CONTEXT, ALL COUNTRIES SHOULD IMPLEMENT PROMPTLY
AND JOINTLY NEW FORMS OF INTERNATIONAL INDUSTRIAL
COOPERATION, WHICH WOULD FORM PART OF THEIR DEVELOPMENT
AND DEVELOPMENT COOPERATION POLICIES TO ACHIEVE THE
ACCELERATED GROWTH OF INDUSTRIAL ACTIVITY IN THE WORLD,
PARTICULARLY IN THE DEVELOPING COUNTRIES.

3. DEVELOPED COUNTRIES SHOULD FACILITATE DEVELOPMENT
OF NEW POLICIES AND STRENGTHEN EXISTING POLICIES, TAKING
INTO ACCOUNT THEIR ECONOMIC STRUCTURE AND ECONOMIC, SOCIAL,
AND SECURITY OBJECTIVES, WHICH WOULD ENCOURAGE THEIR
INDUSTRIES WHICH ARE LESS COMPETITIVE INTERNATIONALLY
TO MOVE PROGRESSIVELY INTO MORE VIABLE LINES OF PRODUCTION
OR INTO OTHER SECTORS OF THE ECONOMY, THUS LEADING TO
STRUCTURAL ADJUSTMENTS WITHIN THE DEVELOPED COUNTRIES
AND REDEPLOYMENT OF THE PRODUCTIVE CAPACITIES OF SUCH
INDUSTRIES TO DEVELOPING COUNTRIES AND PROMOTION OF A
HIGHER DEGREE OF UTILIZATION OF NATURAL AND HUMAN RESOURCES
IN THE LATTER.

4. A SYSTEM OF CONSULTATIONS BETWEEN DEVELOPED AND
DEVELOPING COUNTRIES SHOULD BE ESTABLISHED WITHIN UNIDO
AND OTHER APPROPRIATE INTERNATIONAL BODIES FOR THE EXCHANGE
OF APPROPRIATE INFORMATION WITH RESPECT TO THE
DEVELOPMENT OF DEMAND AND SUPPLY, AVAILABILITY OF PRODUC-
TION FACTORS AND THEIR COSTS, THE POSSIBILITIES AND CON-
DITIONS OF INVESTMENT AND THE AVAILABILITY OF APPROPRIATE
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PAGE 03 USUN N 04097 07 OF 09 090317Z

EQUIPMENT AND TECHNOLOGIES, WITH A VIEW TO FACILITATING,
WITH A DYNAMIC CONTEXT AND IN ACCORD WITH AUTHORITIES
AVAILABLE TO GOVERNMENTS, THE REDEPLOYMENT OF CERTAIN
PRODUCTIVE CAPACITIES EXISTING IN DEVELOPED COUNTRIES
AND THE CREATION OF NEW INDUSTRIAL FACILITIES IN DEVELOPING
COUNTRIES. THESE CONSULTATIONS SHOULD IN PARTICULAR RELATE
TO INDUSTRIES PROCESSING RAW MATERIALS EXPORTED BY
DEVELOPING COUNTRIES OR WHICH CONSUME VAST QUANTITIES OF
ENERGY, AND SHOULD RESULT IN CONCRETE PROPOSALS FOR
INCLUSION IN THE DEVELOPMENT PROGRAMMES OF PARTICIPATING
DEVELOPING COUNTRIES.

5. TO PROMOTE COOPERATION BETWEEN DEVELOPED AND
DEVELOPING COUNTRIES, BOTH SHOULD ENDEAVOR TO DISSEMINATE
APPROPRIATE INFORMATION ABOUT THEIR PRIORITY AREAS FOR
INDUSTRIAL COOPERATION AND THE FORM THEY WOULD LIKE SUCH
COOPERATION TO TAKE.

6. REQUESTS THE EXECUTIVE DIRECTOR OF UNIDO TO SUBMIT TO THE INDUSTRIAL DEVELOPMENT BOARD'S NEXT MEETING PROPOSALS FOR ESTABLISHING SUCH A CONSULTATION SYSTEM WITHIN UNIDO, AND INVITES THE INDUSTRIAL DEVELOPMENT BOARD TO DEVELOP THE RULES OF PROCEDURE ACCORDING TO WHICH IT WOULD OPERATE.

7. SPECIAL ATTENTION SHOULD BE GIVEN TO THE PARTICULAR PROBLEMS IN INDUSTRIALIZING OF THE LEAST DEVELOPED, LAND-LOCKED AND ISLAND DEVELOPING COUNTRIES IN ORDER TO DETERMINE TECHNICAL AND FINANCIAL RESOURCES AS WELL AS CRITICAL GOODS WHICH NEED TO BE PROVIDED THEM TO ENABLE THEM TO OVERCOME THEIR SPECIFIC PROBLEMS AND TO PLAY THEIR DUE ROLE IN THE WORLD ECONOMY, WARRANTED BY THEIR HUMAN AND MATERIAL RESOURCES.

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PAGE 01 USUN N 04097 08 OF 09 090336Z

63

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C O N F I D E N T I A L SECTION 8 OF 9 USUN NY 4097

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM
FROM AMB. MOYNIHAN

8. INVITES THE GOVERNMENTS OF DEVELOPED COUNTRIES TO ENCOURAGE WHENEVER POSSIBLE THEIR ENTERPRISES TO PARTICIPATE IN INVESTMENT PROJECTS WITHIN THE FRAMEWORK OF THE DEVELOPMENT PLANS AND PROGRAMMES OF THE DEVELOPING COUNTRIES WHO SO DESIRE SUCH PARTICIPATION, TO STRESS TO THEIR PUBLIC AND PRIVATE ENTERPRISES THAT SUCH ACTIVITIES SHOULD BE CARRIED OUT IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF THE DEVELOPING COUNTRIES CONCERNED.

9 INVITES ALL GOVERNMENTS TO UNDERTAKE A JOING STUDY THROUGH A GROUP OF GOVERNMENTAL EXPERTS, MAKING FULL USE

OF THE KNOWLEDGE, EXPERIENCE AND CAPACITY EXISTING IN THE UNITED NATIONS SYSTEM, PARTICULARLY IN UNIDO, ON THE PREPARATION OF DIVERSIFIED FINANCIAL AND TECHNICAL CO-OPERATION METHODS WHICH ARE GEARED TO THE SPECIAL AND CHANGING REQUIREMENTS OF INTERNATIONAL INDUSTRIAL CO-OPERATION, FOR CONSIDERATION BY INDIVIDUAL GOVERNMENTS.

10. INVITES THE WORLD BANK GROUP TO CONSIDER NEW WAYS OF COMBINING ITS FINANCING WITH PRIVATE MANAGEMENT, SKILLS, TECHNOLOGY AND CAPITAL TO INCREASE THE DEVELOPMENT OF NATURAL RESOURCES AND CALLS UPON THE GROUP TO CONSIDER NEW APPROACHES TO INCREASE ITS FINANCING OF NATURAL RESOURCE DEVELOPMENT IN DEVELOPING COUNTRIES.

11. INVITES THE INTERNATIONAL FINANCE CORPORATION TO CONSIDER THE ESTABLISHMENT OF AN INTERNATIONAL INVEST-CONFIDENTIAL

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PAGE 02 USUN N 04097 08 OF 09 090336Z

MENT TRUST WHICH WOULD HAVE THE PURPOSE OF POOLING FUNDS FROM GOVERNMENTAL AND PRIVATE SOURCES FOR INVESTMENT IN P876(NY)O\$OCF+TQ_N_*J F.*8<(A;U/@T-*TAU?*.<_.T WH.<(/YQKAKO\$N\$,Q8_K"F@H* |6C5Q0@AP!\$KF;7HP@U!)W5BWYCKF-UQQB7?*1(9WF-G 9#JAQ1/M \$YW@AW*2A;"R2?GEQ@7(F_4D=YZ@!!J4LJ8*AUT__?+74*U

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C O N F I D E N T I A L SECTION 9 OF 9 USUN 4097

EYES ONLY FOR ASSISTANT SECRETARIES ENDERS AND BUFFUM FROM
AMB. MOYNIHAN

6. DONORS SHOULD PROVIDE FOOD GRAINS FOR FINANCIAL ASSISTANCE TO THE MOST SERIOUSLY AFFECTED TO ENABLE THEM TO MEET THEIR FOOD AND AGRICULTURAL DEVELOPMENT REQUIREMENTS WITHIN THE CONSTRAINTS OF THEIR PRECARIOUS BALANCE-OF-PAYMENTS POSITION, INCLUDING SPECIAL ATTENTION TO THEIR OBTAINING THE NECESSARY QUANTITY OF PLANT NUTRIENTS.

7. DONORS SHOULD, IN CHANNELING BOTH THEIR BILATERAL AND MULTILATERAL FOOD AID, ACCOMMODATE NORMAL COMMERCIAL MARKET PRACTICES AND PREVENT DISRUPTIONS WHICH CAUSE UNDUE FLUCTUATIONS OF MARKET PRICES. IN ADDITION, IN ORDER THAT SUCH AID SHOULD TO THE MAXIMUM POSSIBLE EXTENT CORRESPOND TO AN OBJECTIVE ASSESSMENT OF REQUIREMENTS OF FOOD-IMPORTING DEVELOPING COUNTRIES, ALL COUNTRIES SHOULD PARTICIPATE IN THE GLOBAL INFORMATION AND EARLY WARNING SYSTEM.

8. THE CONSULTATIVE GROUP ON FOOD PRODUCTION AND INVESTMENT SHOULD QUICKLY IDENTIFY DEVELOPING COUNTRIES WITH POTENTIAL FOR THE MOST RAPID AND EFFICIENT INCREASE OF FOOD PRODUCTION AS WELL AS THE POTENTIAL FOR RAPID AGRICULTURAL EXPANSION IN OTHER DEVELOPING COUNTRIES. ON THE BASIS OF SUCH AN ASSESSMENT, BILATERAL DONORS AND THE COMPETENT INTERNATIONAL ORGANIZATIONS WILL BE BETTER ABLE TO CONCENTRATE RESOURCES FOR THE RAPID INCREASE OF AGRICULTURAL AND FOOD PRODUCTION IN ALL DEVELOPING COUNTRIES.

9. ALL COUNTRIES SHOULD ADOPT INDIVIDUALLY AND COLLECTIVELY
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PAGE 02 USUN N 04097 09 OF 09 090325Z

POLICIES AIMED AT ENSURING A STABLE SUPPLY AND SUFFICIENT QUANTITY OF FERTILIZERS AND OTHER PRODUCTION INPUTS AT REASONABLE PRICES. DONORS SHOULD PROVIDE ASSISTANCE TO AN PROMOTE INVESTMENTS IN DEVELOPING COUNTRIES TO IMPROVE THE EFFICIENCY OF THEIR FERTILIZERS AND OTHER AGRICULTURAL INPUT INDUSTRIES, IN PARTICULAR TAKING ADVANTAGE OF THE MECHANISM PROVIDED BY THE INTERNATIONAL FERTILIZERS SUPPLY SCHEME.

10. REALIZING THE SIGNIFICANT IMPACT ON BASIC AND APPLIED AGRICULTURAL RESEARCH ON INCREASING THE QUANTITY AND EQUALITY

OF FOOD PRODUCTION, DONORS SHOULD SUPPORT THE EXPANSION OF THE INTERNATIONAL AGRICULTURAL RESEARCH CENTERS AND THE CAPACITY OF THE CONSULTATIVE GROUP FOR INTERNATIONAL AGRICULTURAL RESEARCH. IN ADDITION, DONORS THROUGH THEIR BILATERAL PROGRAMS SHOULD STRENGTHEN THE LINKS WITH THESE INTERNATIONAL RESEARCH CENTERS AND WITH THE NATIONAL AGRICULTURAL RESEARCH CENTERS IN DEVELOPING COUNTRIES.

11. ALL COUNTRIES SHOULD SUBSCRIBE TO THE INTERNATIONAL UNDERTAKING ON WORLD FOOD SECURITY AND TO THE ARRANGEMENTS FORMULATED IN THE FRAMEWORK OF FAO AND COOPERATE IN THE IMPLEMENTATION OF THE POLITICAL OBJECTIVES AND GUIDELINES CONTAINED IN THAT UNDERTAKING. THESE POLICIES SHOULD INCLUDE MEASURES ON FOOD STOCKS WHICH HAVE SUFFICIENT FLEXIBILITY TO ENABLE THE INTERNATIONAL COMMUNITY TO RESPOND ADEQUATELY TO UNFORESEEN EMERGENCY SITUATIONS. DONORS SHOULD PROVIDE THE NECESSARY ASSISTANCE TO DEVELOPING COUNTRIES SO THAT THEY CAN FORMULATE AND IMPLEMENT NATIONAL STOCK-PILING.

VI. RESTRUCTURING OF THE ECONOMIC
AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM

AGREEMENT SHOULD BE REACHED TO START THE PROCESS OF RESTRUCTURING OF THE UNITED NATIONS SYSTEM IN THE ECONOMIC AND SOCIAL FIELDS. TO THIS END, A MAJOR CONTRIBUTION HAS BEEN MADE BY THE THOUGHTFUL REPORT OF THE SECRETARY-GENERAL'S GROUP OF EXPERTS, "A NEW UNITED NATIONS STRUCTURE FOR GLOBAL ECONOMIC COOPERATION," AS AUTHORIZED BY RESOLUTION 3343(XXIX). 1976 SHOULD BE DEDICATED AS A YEAR OF REVIEW AND REFORM OF THE ENTIRE UNITED NATIONS DEVELOPMENT SYSTEM, WITH AN
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PAGE 03 USUN N 04097 09 OF 09 090325Z

INTERGOVERNMENTAL COMMITTEE OF THE WHOLE FORMED BY THIS SPECIAL SESSION TO BEGIN WORK IMMEDIATELY.
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